NEW YORK SCORECARD ON Medicaid Payment Reform

How Much Does New York Still Rely on FFS?

- Traditional FFS: 55.5%
- FFS Shared Savings: 3.7%
- FFS + P4P: 12.9%
- FFS Shared Risk: 0.2%
- Non-FFS: 27.2%
- Other: Payment Type Unknown: 0.6%

What Portion of Value-Oriented Payments Places Doctors and Hospitals at Financial Risk for Their Performance?

- "at risk": 46%
- "not at risk": 54%

- 31% of all hospital payments
- 16% of all outpatient specialist payments
- 64% of all outpatient primary care physician payments

are value oriented

32.7% of the total payments made to doctors and hospitals are value-oriented
Of the total outpatient payments made to physicians, 58% are paid to specialists and 42% are paid to PCPs. Over time, this figure will show if there is a rebalancing of payment between primary and specialty care.

Benchmarks for Future Trending

Is Payment Reform Reaching Patients? Attributed Members

Percent of Medicaid beneficiaries attributed to a provider participating in a Medicaid payment reform contract, such as those members who choose to enroll in, or do not opt out of, an accountable care organization, patient centered medical home or other delivery models in which patients are attributed to a provider.

56% MEDICAID AVERAGE

Share of Total Dollars Paid to Primary Care Physicians and Specialists

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Hospital Readmissions*

8% of hospital admissions are readmissions for any diagnosis within 30 days of discharge, for members 18 years of age and older.

* Derived from data submitted to eValue8 using NCQA’s all-cause readmission measure. Not an official NCQA Benchmark.

Non-FFS Payments and Quality

Quality is a factor in 57% of non-FFS payments.

Quality is not a factor in 43% of non-FFS payments.
The results of the New York Medicaid Scorecard on Payment Reform are in, and 33% of all Medicaid payments are value-oriented—either tied to performance or designed to cut waste. Traditional fee-for-service (FFS), bundled, capitated and partially capitated payments without quality incentives, make up the remaining 67%. These data are from calendar year 2013 or the most recent 12 months. The use of value-oriented payment is growing rapidly; now we need to determine whether it makes health care better and more affordable.

FFS remains the dominant base method of payment, even when it contains a quality incentive. Of all the Medicaid payments made in New York, 72.6% are still based on FFS. Only 27.2% use a non-FFS based payment method. The payment type is unknown for 0.2% of payments.

Payment reform can take many forms, whether it is based on FFS or not, but tracking the degree to which FFS is still used as a base method of payment can help us understand where we are in the evolution of payment reform. In New York, a little over 55.5% of payments are still traditional FFS, without any quality components. An additional 17% of payments are still based on FFS but include some quality component. In Medicaid, 27.2% of payments are not based on FFS. Payment methods categorized as non-FFS include: bundled payment, full capitation, partial or condition-specific capitation, and payment for non-FFS non-visit functions. All of these may or may not have quality components.

Of the 33% of Medicaid payments that are value-oriented, just under half put providers at financial risk for their performance. Fifty-four percent of payments still offer providers a financial upside only, with no downside financial risk.